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**From:**

**Sent:** Friday, July 17, 2009 12:26:23 PM

**To:**

**Cc:**

**Subject:** LLC Liability, [REDACTED]

This is to advise you that I've reviewed your memo to the concerning the personal tax liability of a owner of an LLC. I concur with your conclusion that the sole owner cannot be held personally liable for the employment taxes incurred by the LLC while it was a multi-member LLC treated as a partnership for federal tax purposes.

In particular, I agree that this question of liability is governed by Treas. Reg. 301.7701-2(c)(iii). Under that regulation, a single-member LLC is not disregarded for the purposes of federal tax liabilities incurred during taxable periods in which the entity was not disregarded. Although the LLC here is currently a disregarded entity, it was not at the time the employment tax liabilities were incurred.

[REDACTED]

If you have any questions about my comments or edits please give me a call.

Thanks--

**ATTACHMENT: [redacted]**